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ABSTRACT

Field study and analysis of program documents were undertaken in the first phase of a multi-phased research effort to improve and strengthen the relationships between CETA programs and economic development activities on Indian reservations. Exploratory in nature, the study examined the approaches developed by 24 Indian reservations and Native Alaskan communities in using CETA funds to improve reservation community and economic development efforts. The first set of findings reflected broad issues affecting Indian reservations throughout the country; these included population increases on reservations, the move away from tourism and industrial development and toward projects compatible with traditional Indian life styles, and political and economic conditions that distinguish Indian rural development from rural development as a whole. The second set of findings focused on the extent to which the program structures, approaches, and development priorities appeared to differ according to the population of the reservations. The study findings called for the presentation to the Department of Labor a number of recommendations addressing questions of policy, administration, program operation, and further research and development needs. (JH)

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STUDY OF CETA PLANS AND RESERVATION ECONOMIC DEVELOPMENT

For the
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EXECUTIVE SUMMARY

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URSA URBAN AND RURAL SYSTEMS ASSOCIATES
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STUDY OF CETA PLANS AND RESERVATION ECONOMIC DEVELOPMENT

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INTRODUCTION AND BACKGROUND

The Study of CETA Plans and Reservation Economic Development represents the first phase in a multi-phased research effort to improve and strengthen the relationships between CETA programs and economic development activities on Indian reservations. The study was exploratory in nature. It involved the examination of the approaches developed by twenty-five Indian reservations and Native Alaskan communities in using CETA funds to improve reservation community and economic development efforts. It also involved the identification of a number of exemplary approaches developed by several of the reservations which appear to be worthy of replication by other similarly situated reservations.

The effort was characterized by a close cooperative relationship between the Division of Indian and Native American Programs (DINAP) of USDOL and the Indian Program Office of the Economic Development Administration (EDA). This relationship proceeded through the site selection process and the field work, and will continue in the remaining phases of the effort.

The field work was performed on-site at the twenty-five participating reservations. Over three hundred interviews were conducted with the program directors, tribal chairpersons, legislators, managers and administrators at those sites. Interviews were open-ended in nature and were structured to address the actual programs and enterprises which currently operate on the study sites. Prior to field visits, study teams analyzed the CETA plans, the Overall Economic Development Plans (OEDPs) and all

other available documents relating to the individual study sties. Hence, field teams were familiar with the major development activities under way at the study sites before field trips. This prior knowledge allowed for more focused inquiries and enabled the study team to tailor the research effort to the uniqueness of each reservation and still collect information which would allow for a broader comparative analysis.

Case studies were prepared following each site visit and these became the focus of the analytical process. Data review and analysis sheets were used throughout to preserve the quasi-experimental nature of the inquiry. The final report includes a discussion of research design, a bibliography, and several appendices which describe the study process further.

FINDINGS

The study produced two sets of findings. The first set reflects the broader developmental issues which appear to be confronting Indian reservations throughout the country and which shaped the structure and focus of the inquiry. These findings include indications that:

- Economic development on Indian reservations differs dramatically from other rural economic development. The differences include: a reliance upon federal funds for support due to a reluctance on the part of private investment capital to support reservation enterprises; a unique relationship between the tribes, their land, and their government which transcends the normal

non-reservation land development and land ownership patterns; and a lack of support from federal agencies--especially USDA--which are vital to non-Indian rural America.

- Since the late 1960s, reservation governments have experienced dramatic growth due to increased availability of federal support, a focus on self-determination, and an increased sophistication. There has been an accompanying increase in population with many people returning to their reservations to take the jobs which have been created. Available housing has increased dramatically as have community facilities. However, due to the fact that these "changes" have occurred over a relatively short period of time, a number of problems have surfaces. These include a lack of experienced managers to run the new programs and enterprises and a relative lack of available funds for community services, among others.

- The failure of past efforts to encourage economic development on reservations--especially the industrial- or tourism-related projects of the early 1970s--may have stimulated a move to projects which are more compatible to the traditional lifestyles and general interests of the Indian people. Recent projects in agriculture, aquaculture, livestock, timber, etc., on a number of reservations reflect this emphasis. They also represent a willingness on the part of federal agencies to fund a wide range of projects in economic development. This was not always the case.

- Recent legal successes by a number of reservations in land claims, water rights, and fishing rights cases, have had a backlash effect. The same is true of the economic gains recorded by a few tribes. Perhaps the most visible evidence of the backlash was the recent legislation introduced in Congress to limit Indian courtroom or market place achievements. However, the study team observed numerous instances of the backlash throughout the country.

The second set of findings focused upon the planning and program activities observed on the reservations and provided a perspective on the extent to which the structures, approaches, and developmental priorities appeared to differ according to the population of the reservations. Some of the more interesting findings included:

- Planning is the most vital administrative function performed by tribal governments since reservations are not supported by property taxes and must rely on the categorical grant-in-aid system for support of tribal government operations. While a number of sources fund planning, there are not sufficient planning funds available for such activities as long-term land use planning. Also, planners must assume numerous administrative responsibilities beyond planning. This often limits their effectiveness.

- Comprehensive manpower planning is attempted rarely by reservations. Available reservation demographic data are inconsistent,

unreliable and often out of date. The administrative demands on the CETA program staff are heavy, and the operational needs of the program are such that manpower planning--other than for program operators--becomes a near impossibility.

- The Native American Economic Stimulus Program, a grant program funded through DINAP, constituted an important link between CETA planning and reservation economic development. Perhaps more than any other single activity, NAESP promoted the use of CETA funds to support a wide range of reservation-based programs and enterprises.

- There are many examples of CETA programs supporting reservation planning, developmental, and operational activities. Planners are funded by CETA and planners and CETA Directors often work closely, especially in preparing NAESP applications. Almost every reservation experienced some level of administrative or operational support from CETA PSE enrollees.

- CETA Public Service Employment (PSE) is a vital source of venture capital to support tribal enterprises. The study team observed numerous instances where CETA funds were used to enable developing tribal enterprises to get off the ground. Without CETA, many of these enterprises would fail.

- The support available from DINAP often falls short of the needs of grantees. Limitation in communication, technical assistance, and other support creates problems for Indian prime sponsors.

- The CETA regulations often operate against the interests of Indian reservations due to the nature of unemployment and the lack of economic and community infrastructures on reservations. PSE Title VI is eligible only to persons who are unemployed for 15 weeks prior to enrollment in the program. The part-time and seasonal nature of much of the work on reservations makes it impossible for many significantly underemployed people to participate in CETA. The training and participation limits of CETA also make it impossible for training to be provided in vital skill areas needed on reservations.

- The study team observed a number of exemplary approaches to linking CETA with economic development on nine of the twenty-five reservations visited. The next level of the research will be to document these examples and prepare materials for dissemination to all Indian prime sponsors.

RECOMMENDATIONS

The study findings called for the presentation of a number of recommendations to the Department of Labor. These recommendations are focused on policy,

administration and program operation. Recommendations regarding further research and development were also prepared. Some of the recommendations include:

- Requests should be made to have Indian and Native Alaskan CETA programs exempted from a number of the broader CETA regulations which have a detrimental impact on those programs.

- The interdepartmental links established by DINAP with EDA and other federal agencies supporting Indian reservations should be expanded and nurtured. Efforts should be made to encourage further linkages at regional offices as well as at the central office.

- The Department of Labor should continue its policy of encouraging the use of CETA funds for economic development, as exemplified by the NAESP grant system and the recently organized business development initiative sponsored by DINAP.

- Consideration should be given to instituting a multi-year funding system for Title III Indian CETA prime sponsors. The current one-year system creates confusion, constrains long-range efforts and places a considerable administrative burden on both the understaffed administering agency and its grantees.